

NJ PAMS Implementation Project Tax Calculation / Equalization Business Changes

Overview: PAMS provides a way to automate and improve efficiencies in the county equalization, abstract, and tax calculation process. Stand-alone, manually completed forms are being eliminated or reduced, along with many of the manual data entry requirements. With the old process, efforts were duplicated by completing manual forms and then entering the information again in MOD IV or vendor-developed online systems. The new process is an integrated process with a sequential development of the information, eliminating the need for duplicate information being entered on several forms. Information used during the process will be pulled from the system and will come from the following sources:

1. Tables that are populated by the State
2. Tables set up by the county tax administrator
3. Reports run from the assessment information developed by the assessor
4. Budget information entered by the tax administrator.

Automatically populating most fields from the report system will result in statewide uniform reporting and rounding procedures. The tax administrator has control of the process and no outside vendor is needed to run the reports

Form/Report	Current Process	PAMS Process	CHANGES
CNC - 1 Certification of New Construction Improvements/Partial Assessments: Certification of new construction, which is recorded on the Added Assessment List summary that is used to calculate allowable budget increase and change in assessed value, is used to adjust a prior year ratable base when developing a Page 8 ratio.	Paper Form - The assessor files the original form with the county tax administrator by January 10 of each tax year. The tax administrator keeps the original and forwards one copy to the municipal financial officer and one copy to the State. The tax administrator manually enters information from the form using the Added/Omitted Summary.	Report – Changes in value due to added assessments plus values from the CNC-2 transaction will populate the appropriate fields on the CNC-1, and are pulled from information that is entered into the PAMS Assessor Worksheet Transaction.	<ul style="list-style-type: none"> • The system now populates the information that was previously entered manually. • The information is provided on a system-generated report rather than a manually completed form. • Information is integrated in the Page 8.
CNC - 2 Itemized Breakdown Listing/ Supplement to CNC - 1: Parcel level details where the value was increased and the increase was not shown on the Added Assessment List.	Paper form - The assessor develops a list by manually recording the property ID and the amount of increase due to new construction, partial assessments, and incremented partial assessments where the value is increased for the subsequent year and an Added Assessment was not filed on the prior Oct 1 list.	Report - A parcel-based report is created from a batch process that compares the prior year assessment with the current year assessment where no added assessment is on record and the reason for change indicates an addition, new construction, or partial assessments. The report lists the parcel ID and the amount of increase in value.	<ul style="list-style-type: none"> • The system now populates the information that was previously entered manually. • The information is provided on a system-generated report rather than a manually completed form. Information is integrated in the Assessor Report.

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Assessor Report - Summary record of changes in assessments from the prior tax year to the current tax year.	Paper form - Information is manually entered using the tax list summary and a record of assessment changes that were kept in a file at the assessor's office. The current report repeats several fields of information on the District Summary because this was designed as a stand-alone form.	Report - The Assessor report is created based on the reasons for assessment changes for both additions to and deductions from value from prior year to current year. The changes reported include 1) additions to value from exempt to ratable, and 2) added assessments as reported on the CNC - 2 form. Deduction changes include 1) ratable to exempt, and 2) loss from fire and demolition.	<ul style="list-style-type: none"> • The system now populates the information that was previously entered manually. • The information is provided on a system-generated report rather than a manually completed form. • Redundant information is eliminated. • Information is integrated in the equalization process.
Page 8 - Formula for calculating a county equalization ratio for a jurisdiction for the year of implementation of a revaluation or reassessment.	Paper form - Information is manually entered using the tax list summary current year ratable base, Director's Table, the Assessor Report, and CNC forms.	Report - The report is run to calculate a county equalization ratio for use in a jurisdiction that has implemented a revaluation or reassessment. The information is populated from the new ratable base, the Director's Table Ratio and Equalized Value, and adjustments from debits and credits from appeals and the Assessor Report.	<ul style="list-style-type: none"> • The system now populates the information that was previously entered manually. • The information is provided on a system-generated report rather than a manually completed form. • The report includes additions/deductions to value from appeals. • The Page 8 ratio populates the county ratio field, and a county ratio overrides the Director's Ratio for equalization.
E/A 4 Form - Form used to identify a single parcel with a limited exemption with an in-lieu tax payment. Calculations are made regarding the relationship of the in-lieu payment to the taxes that would otherwise be paid and they are used to calculate the percentage of assessed value to be included in county equalization.	Paper form - Part A is completed by the assessor to identify the parcel and record the amount of in-lieu payment. The TA completes Part B with ratio and tax rate information to calculate the percentage of assessment included in equalization. The TA calculates the assessed value, equalizes it, and includes a district total in column 5 of the county equalization table.	The assessor enters parcel identification, type of payment, in lieu payment amount, and beginning and ending years for each property.	<ul style="list-style-type: none"> • No separate E/A 4 form. Information is now entered on one screen, and that information is pulled into the E/A 4 Summary. No E/A form is printed.

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E/A 4 SUMMARY by Jurisdiction - This is a summary of all the parcels, in-lieu payments, and assessments included in Column 5 on the county equalization table	NEW	The TA runs a summary report which provides a summary of the information by jurisdiction, calculates the assessed value to be included, equalizes the assessments, totals the equalized assessments for each jurisdiction, and populates Column 5 on the county equalization table.	<ul style="list-style-type: none"> • The report calculates the amount of assessment to be included, equalizes the assessments, and creates totals by jurisdiction. • The totals from the report are used to populate Column 5 • The TA runs the report but does not manually enter any information.
County Equalization Table - This is an equalization of all property showing a summary amount in Column 6 for each jurisdiction to adjust to 100%.	Both a preliminary and a final version are available in the MOD IV programming and vendor-developed on-line systems run by a vendor. The table prints on legal size paper.	There are now three versions of the table: preliminary, final and amended. The preliminary version includes hearing location information. The final version includes a signatures page. The amended version is run if revisions are necessary due to a formal appeal that changes either the ratio or ratable base of a jurisdiction. You may choose to run just the report (columns 1 - 6), the report with the preliminary or final cover page, or the report package with cover page and all the addendums. The column format remains basically the same; footnotes are in column form; (addendum) limited exemptions/abatements are in column form.	<ul style="list-style-type: none"> • The system now populates the information that was previously entered manually. • The Director's Ratio is loaded and revised for appeals. In this case, the Page 8 Ratio overrides the Director's Ratio. The TA can enter a county ratio that overrides the Director's Ratio. • A report now replaces the form and there are three versions of Report & Package. You have a choice of running report or package for preliminary, final or amended circumstances. • Information is integrated in the equalization process. • Business personal property replacement revenue is rolled over each year. • Footnotes are in column form. • The report is run on letter size paper.

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Abstract of Ratables - This is a summary of assessments, equalization adjustments, and budget information for apportionment of shared budgets and development of tax rates.	Calculation of debits and credits are run by a vendor in an appeals program. Data is entered into the vendor-developed online system.	<p>There are now three versions of the table: preliminary, final, and amended.</p> <p>The preliminary version can be run with estimated budgets and to calculate rates for a specific jurisdiction when all applicable budgets have been entered.</p> <p>The final version is run after all budgets have been received and entered.</p> <p>The amended version is run to develop debits and credits for a change from a county equalization table appeal. You may choose to reprint a previous version with no recalculation, calculate and print the report and addendums, calculate and print report with the rate page, or calculate and print the report and rate page with signatures.</p>	<ul style="list-style-type: none"> • The system now populates the information that was previously entered manually. • A report now replaces the form and there are three versions on Report & Package. You have a choice of running the report or package for preliminary, final or amended versions. • Columns have been relabeled for a numeric/alpha reference on one tier. • Columns have been added to show adjustments to each shared budget. • Footnotes are in column form. • Names and Addresses of Tax Assessors and Tax Collectors, tax rate summary page, and the SR3A breakdown are part of the package. • The report is run on letter size paper. • Each board can continue to create a cover page and additional charts if they want by pulling information from ad hoc Discoverer reports and using third-party software packages.

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Tax Calculation - This is the product of applying the general tax rate to each taxable parcel.	After certification of tax rates, rates are provided to vendors to produce the extended tax list with MOD IV programming. The TA and tax board then certify the table of aggregates.	<p>After certification and automated posting of tax rates,</p> <ol style="list-style-type: none"> 1. TA reviews the Preliminary Extended Tax List to verify expected revenue. 2. The TA runs the tax calculation in PAMS for each municipality to generate either estimated or standard quarterly taxes. 3. The TA and tax board certify the table of aggregates. <p>Once a year the TA runs the PAMS Added-Omitted tax calculation process for each municipality.</p>	<ul style="list-style-type: none"> • The TA reviews the Preliminary Extended Tax List. • The TA runs, for each municipality, the tax calculation process to generate estimated or standard quarterly taxes. • The TA runs the Added-Omitted tax calculation process.